

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Estimated Public Benefits Qualified Residential Rental Project Pool 2004 Summary

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land and construct new units or purchase and rehabilitate existing units. The tax-exempt bonds are used to fund a loan with a below market interest rate. The low interest rate loan is used by the Project Sponsor to develop the project. Project Sponsors produce market rate and affordable rental housing for low and very low-income households by reducing rental rates to these individuals and families.

The California Debt Limit Allocation Committee is responsible for administering California's annual tax-exempt private activity bond program, known as "the annual State ceiling". For calendar year 2004, California's State ceiling is \$2.838 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as "Program Pools", including the Qualified Residential Rental Project Pool (Rental Project Pool).

For calendar year 2004, the Committee reserved approximately \$1.552 billion, or 54.7% of the State ceiling for the Rental Project Pool. The \$1.552 billion of bond authority was allocated in three allocation rounds and to three sub-pools i.e., General Pool (consists of projects having 50.1% or more of its total units designated as Restricted Rental Units); Mixed Income Pool (consists of projects having 50% or fewer of its total units designated as Restricted Rental Units); and the Rural Project Pool (consists of projects located in a rural area as defined by California Health and Safety Code Section 50199.21 and not including Mixed Income projects).

The Committee awarded a total of \$1,301,310,549 for 137 rental projects in 2004. The Committee also authorized the use of \$22,170,000 of available 2003 carryforward allocation, increasing the total allocation awarded to \$1,323,480,549. Of this amount, \$1,024,513,306 was allocated to the General Pool, \$217,000,000 was allocated to the Mixed Income Pool and \$81,967,243 was allocated to the Rural Project Pool, which includes the 2003 carryforward allocation.

These allocations financed an estimated 12,522 total units, of which approximately 11,213 were Restricted Rental Units. Restricted Rental Units are units within a Project that are restricted to household earning 60% or less of the Applicable Median Family Income. Of the 11,213 Restricted Rental Units, 4,812 will be restricted to very low income households with income at or below 50% of the area median income and approximately 6,401 units will be restricted to low income households with incomes at or below 60% of the area median income.

Of the estimated 12,522 units financed with the allocation, approximately 5,743 will be new construction units, 2,062 will be senior citizen units, 2,029 will be large family (3-4 bedroom) units and 215 will be special needs units. In addition, this allocation will preserve approximately 2,252 income and rent restricted units that were at-risk of losing affordability restrictions.

<u>SUMMARY OF PROJECTS</u>				
Total # of Projects	# of New Constr. Projects	# of Acq. & Rehab. Projects	# of Family Projects	# of Senior Citizen Projects
137	79	58	116	21
% of Total:	58%	42%	85%	15%

<u>SUMMARY OF UNITS</u>										
Total # of Units	# of New Constr. Units	# of Acq. & Rehab. Units	# of Restricted Units	Units @ 50%	Units @ 60%	# of At-Risk Units	# of Special Need Units	Market Rate Units	# of Large Family Units	# of Senior Citizen Units
12,522	5,743	6,748	11,213	4,812	6,401	2,252	215	1,309	2,029	2,062
% of Total:	46%	54%	89%	38%	51%	18%	1.7%	10.4%	16.2%	16.5%

<u>SUMMARY OF POOL CATEGORIES</u>																
Pool Type	Total # of Projects	Total # of Units	# of Restricted Units	Units @ 50%	Units @ 60%	Market Rate Units	# of Large Family Units	# of New Constr. Projects	# of New Constr. Units	# of Acq. & Rehab. Projects	# of Acq. & Rehab. Units	# of At-Risk Units	# of Family Projects	# of Senior Citizen Projects	# of Senior Citizen Units	# of Special Needs Units
GENERAL	109	9,661	9,587	4,002	5,585	74	1,748	65	4,326	44	5,304	1,328	88	21	1,982	176
MIXED INCOME	6	1,547	312	312	0	1,235	40	4	807	2	740	390	6	0	0	0
RURAL	22	1,314	1,314	498	816	0	241	10	610	12	704	534	20	2	80	39
Totals:	137	12,522	11,213	4,812	6,401	1,309	2,029	79	5,743	58	6,748	2,252	114	23	2,062	215